FINAL STATEMENT OF REASONS

1) The Update to the Initial Statement of Reasons

There are no changes to the initial statement of reasons, which is hereby incorporated by reference, with the exception of the following:

Section 220.10

The proposed amendments to Section 220.10 have been withdrawn.

Section 220.12

Subparagraph (b)(3) has been renumbered to (b)(2)(A) as it relates to the casual drivers identified in (b)(2) and is not a separate requirement for good cause.

Section 220.18

The content of 220.18(a) is amended to delete "an application" that was overlooked when amending the section to identify the name of a document (DMV 716 MCP).

- **2) Imposition of Mandate on Local Agencies or School Districts** The department's regulatory action adopting Sections 220.00, 220.02, 220.04, 220.06, 220.08, 220.12, 220.14, 220.16, 220.18, 220.20, 2251.00, 221.02, 221.04, 221.06, 221.08, 221.10, and 221.12 in Article 3.5, of Chapter 1, of Division 1, of Title 13, in the California Code of Regulations, does not impose any mandate on local agencies or school districts and imposes (1) no cost or savings to any state agency, (2) no cost to any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code, (3) no other non-discretionary cost or savings to local agencies, and (4) no costs or savings in federal funding to the state. No studies or data were relied upon to make this determination.
- **3) Summary of Comments Received and Department Response** The proposal was noticed on July 11, 2003, and made available to the public from July 11, 2003 through August 25, 2003. The department received one (1) written comment during the public comment period.

The comment was from Mr. Mark E. Hegarty, representing the California Dump Truck Owners Association (CDTOA). His concerns were about Section 220.10 of the regulations. His first concern is that he is unclear as to what the section is trying to accomplish. The second concern is that owner-operator drivers are characterized as employees when, in fact, the owner-operator drivers are listed in the enabling statute as separate from employees. After review of Section 220.10, Vehicle Code section 34633 and Mr. Hegarty's comments, the department has decided to withdraw the proposed amendments to Section 220.10 to allow for additional study regarding the complexities of the statute and the regulation.

4) Determination of Alternatives

No alternative considered by the department would be more effective in carrying out the purpose for which these regulations are proposed or would be as effective and less burdensome to affected private persons than the adopted regulations. The department made an effort during the development of the emergency and permanent regulations to lessen adverse economic impact wherever possible, as demonstrated in the summary and response to comments. During the rulemaking process no reasonable alternative that would lessen the adverse economic impact on small business was submitted.

5) Documents Incorporated by Reference

The department finds that it would be cumbersome, unduly expensive, or otherwise impractical to publish the documents incorporated by reference in this regulatory action in the California Code of Regulations because some are lengthy, and these sixteen (16) documents are readily available from the department. The documents were made available upon request directly from the department.